

STATE OF TENNESSEE

Office of the Attorney General



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March 25, 2004

Honorable Deborah Taylor Tate
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

**RE: PETITION FOR APPROVAL OF THE MINIMUM WATER RATES FOR THE
AREA SERVED BY THE HICKORY STAR WATER COMPANY**

Docket No. 04-00044

Dear Chairman Tate:

Enclosed is an original and thirteen copies of the Consumer Advocate and Protection Division of the Office of the Attorney General's Petition to Intervene. Kindly file the attached in this docket. By copy of this letter, we are serving all parties of record. If you have any questions, please feel free to contact me at (615) 532-3382. Thank you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joe Shirley".

Joe Shirley
Assistant Attorney General
(615) 532-2590

Enclosures

cc: All Parties of Record

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**IN THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

IN RE:

**APPLICATION OF HICKORY STAR
WATER COMPANY, LLC TO INCREASE
ITS RATES**

DOCKET NO. 04-00044

PETITION TO INTERVENE

Comes now Paul G. Summers, the Attorney General for the State of Tennessee, through the Consumer Advocate and Protection Division of the Office of Attorney General (hereinafter "Consumer Advocate"), pursuant to Tenn. Code Ann. § 65-4-118(c)(2)(A), and petitions the Tennessee Regulatory Authority to convene a rate hearing, and to grant the Consumer Advocate's intervention in this proceeding on behalf of the public interest because consumers may be adversely affected by the rate increases, changes and alterations requested by Hickory Star Water Company, LLC (hereinafter "Hickory Star"). For cause, the Consumer Advocate would show unto the Authority as follows:

1. In order to represent the interests of Tennessee consumers, the Consumer Advocate is authorized by Tenn. Code Ann. § 65-4-118(c)(2)(A) to initiate a contested case and to intervene or participate in proceedings concerning public utility matters pending before the Authority, in accordance with the Uniform Administrative Procedures Act and Authority rules

2. Hickory Star is a public utility company regulated by the Tennessee Regulatory Authority pursuant to Title 65, Chapters 4 and 5, TENNESSEE CODE ANNOTATED. Hickory Star has its principal offices located at 1360 Hickory Star Road, Maynardville, Tennessee 37807-3218.

3. Hickory Star sells and distributes water and sewer services to customers located in Union County, Tennessee.

4. On February 10, 2004, Hickory Star filed a petition seeking approval to increase the rates that it charges customers for water. Hickory Star also requests increases in service connection fees as well as other changes in service regulations.

5. If the Authority approves the petition of Hickory Star in its present form, such action would cause minimum water rates to increase from \$18.38 per month to \$36.76 per month — a 100% increase; and new service tap fees would increase from \$585.00 per connection to \$850.00 per connection — a 45% increase. In addition, under the Proposed Rate Schedule, Hickory Star “reserves the right to pass on to its customers increases in the cost of water purchased from the City of Maynardville.”

6. Based upon the Consumer Advocate’s review of the documentation that Hickory Star filed in support of its petition, the Consumer Advocate alleges that approval of the petition in its present form is not in the public interest, and that the requested rate increases, changes and alterations are not fair, just and reasonable under all attendant conditions and circumstances.

7. Only by participating and intervening in this proceeding can the Consumer Advocate work effectively to protect the interests of Tennessee consumers.

WHEREFORE, the Consumer Advocate prays that the Authority: (a) convene a rate case proceeding pursuant to Tenn. Code Ann. § 65-5-203 to hear and determine whether the rate increases, changes and alterations requested by Hickory Star are fair, just and reasonable; (b) grant the Consumer Advocate’s Petition to Intervene; and (c) grant the Consumer Advocate and the consumers of Tennessee such other relief as may be deemed appropriate.

RESPECTFULLY SUBMITTED,



PAUL G. SUMMERS, B.P.R. No. 6285
Attorney General
State of Tennessee



SHILINA B. CHATTERJEE, B.P.R. No. 020689
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Consumer Advocate and Protection Division
P.O. Box 20207
Nashville, Tennessee 37202
(615) 532-2590

Dated: March 24, 2004

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Petition to Intervene was served on March 24, 2004, via facsimile and first-class U.S. Mail, postage prepaid, upon:

Mr. William Geary, Jr.
Carlsberg Management Company
6171 West Century Boulevard, Suite 100
Los Angeles, California 90045
Facsimile: (310) 258-9009



JOE SHIRLEY
Assistant Attorney General

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